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Controller Westly Announces New Grant Audits

Eight Additional Inquiries Scheduled in Effort to Safeguard State Funds

SACRAMENTO – State Controller Steve Westly announced today that his office will audit eight additional legislative grants totaling \$6.4 million.

Auditors selected the grants based on the size of the grant, the amount of documentation available and the quality of oversight by the Department of Parks and Recreation. The Controller's Office used the same criteria to choose four initial audits announced last month.

"Lawmakers earmarked these funds for worthy causes, but the best intention is no substitute for accountability," Westly said.

Auditors will examine financial records for the following grants:

Committee for Restoration of Mission (Fremont) \$985,000
Santa Barbara Zoological Gardens \$329,975
Children's Discovery Museum (San Jose) \$172,375
Vista Del Mar Child & Family Services (Los Angeles) \$197,000
P.F. Breese Foundation (Los Angeles) \$246,250
City of Anaheim \$123,125
Homeboy Industries (Los Angeles) \$98,500
City of Yucaipa \$4,235,500 (two grants)

Westly announced last month that his office would conduct as many as 20 full-scale financial audits of individual grants. He acted after auditors found significant lapses in oversight and administration during an initial review of the Parks program.

In the course of the initial survey, auditors found that Parks officials still held \$15 million in grant funds years after lawmakers included the grants in the state budget. The Controller's Office has notified grant recipients that statutory deadlines may require reverting unspent funds to the state's general fund. Auditors will review all unspent grants on a case-by-case basis.

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